Intrusion of big industries in small scale sectors

971. PROF. SAURIN BHATTACHARYA: Will the PRIME MINISTER be pleased to state:

(a) in how many cases big industries have been allowed to intrude into the sphere of small scale sector;

(b) whether the employment potential in small scale sector has shrunk as a result; and

(c) whether considering this factor and the need for labour-intensive industries in India, small sector's jurisdiction would be kept intact, if not extended?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES) (SHRI M. ARUNACHALAM): (a) No big industrial unit can manufacture items reserved for exclusive manufacture in the small scale sector except with 75% expert obligation or in the case of Garment units who export 75% of their output and with an investment limit of upto Rs. 3 crores.

(b) No, Sir.

(c) All relevant factors are taken into account while deciding on reservation/de-reservation of any item.

New laws for governing industry and trade

972. SHRI SURESH PACHOURI: Will the PRIME MINISTER be pleased to state:

(a) whether Government have been urged that there should be uniformity in Central and State Laws governing industry and trade in order to speed up the process of economic reforms initiated by Government;

(b) if so, whether in the absence of uniformity of laws between Central and States, the economic reforms have not been implemented speedily;

(c) whether any concrete laws are being formulated;

(d) if so, by what time those are likely to be implemented; and

(e) what is the extent to which the new laws will be helpful in achieving the goal of economic reforms?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF INDUSTRIAL DEVELOPMENT) AND THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF HEAVY INDUSTRY) (SHRIMATI KRISHNA SAHI): (a) to (e) Government of India have already substantially simplified laws and procedures in order to facilitate flow of investment and boost trade. It has also entered into dialogue with the State Governments to elicit matching response from them towards simplifications of laws and procedures administered by them. This is a continuing process.

Decline in industrial production

973. SHRI JIBON ROY:
SHRI MURLIDHAR CHANDRAKANT BHANDARE:

Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that during the first 5 months of the current financial year industrial production declined in January and February to 4.2 per cent and 5.3 per cent and in March to 0.9 per cent;

(b) if so, whether it is also a fact that during 1991-92 the percentage was 1.2 per cent and 3 per cent;

(c) whether the statistics on the basic and infrastructure industries also revealed poor performance for the second half of 1993;

(d) if so, whether the representatives of industry met the Finance Minister and discussed the industrial decline with him;

(e) if so, what was the outcome of the discussions; and

(f) what steps have been taken by Government to help industry come out of recession?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF INDUSTRIAL DEVELOPMENT) AND THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF HEAVY INDUSTRY) (SHRIMATI KRISHNA SAHI): (a) and (b) On the basis of Index of industrial Production as compiled by Central Statistical organisation the rates of growth, both monthwise and cumulative, during the periods 1991-92, 1992-93 and 1993-94 (April—August) are given in the enclosed statement (*See* below).

(c) The performance of six infrastructure industries comprising electricity, coal, saleable steel, crude petroleum, petroleum refinery products, cement during April—October, 1993 at 5.2 percent has been higher than the rate of growth of 3.2 percent in the corresponding period last year.

(d) to (f) A group of industrialists met the Finance Minister on 10th November, 1993. Representatives of Bombay Club, Confederation of Indian Industry, FICCI and other similar organisations have submitted memoranda on the industrial scenario and have suggested measures for further improving the performance of the industrial sector. Their suggestions are kept in view while formulating Government's economic policy.

Statement

Growth Rates of Index of Industrial Production

(Base : 1980-81=100)

Month	1991-92/ 1990-91	1992-93/ 1991-92	1993-94/ 1992-93
APR	−1.1	7.1	−0.9
MAY	−2.7	4.7	1.7
JUN	−3.1	3.8	0.0
JUL	1.1	−1.3	4.1
AUG	−1.9	3.1	4.0
SEP	1.5	6.4	
OCT	2.0	4.3	
NOV	−0.1	4.6	
DEC	−1.5	2.1	
JAN	3.2	−4.2	
FEB	6.7	−6.3	
MAR	−3.9	0.2	
APR—MAR	0.0	1.8	
APR—AUG	−1.5	3.4	1.8